Ethiopia ranks second poorest country in the world – Oxford University Study

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(OPHI) –According to The Global Multidimensional Poverty Index (MPI), published by Oxford University, Ethiopia ranks the second poorest country in the world just ahead of Niger. The study is based on analysis of acute poverty in 108 developing countries around the world. Despite making progress at reducing the percentage of destitute people, Ethiopia is still home to more than 76 million poor people, the fifth largest number in the world after India, China, Bangladesh and Pakistan. India has the world's largest number of poor people at more than 647 million.

87.3% of Ethiopians are classified as MPI poor, while 58.1% are considered destitute. A person is identified as multidimensionally poor (or 'MPI poor') if they are deprived in at least one third of the weighted MPI indicators. The destitute are deprived in at least one-third of the same weighted indicators, The Global MPI uses 10 indicators to measure poverty in three dimensions: education, health and living standards.

In rural Ethiopia 96.3% are poor while in the urban area the percentage of poverty is 46.4%. Comparing the poverty rate by regions, Somali region has the highest poverty rate at 93% followed by Oromiya (91.2%) and Afar (90.9%). Amhara region has 90.1% poverty rate while Tigray has 85.4%.

Addis Ababa has the smallest percentage of poverty at 20% followed by Dire Dawa at 54.9% and Harar (57.9%)

Africa: Poverty Called Multidimensional

BY JOE DECAPUA

The poorest country in the world is Niger, next Niger is Ethiopia. Somalia, the most chaotic country, is even much better than Ethiopia

June 17, 2014 ([Voice of America](#)) — Poverty is not just about a lack of money. Oxford University says it's also about not having enough food, education, healthcare and shelter. And some poor are much worse off than others.

Oxford has released its latest Multidimensional Poverty Index, or MPI. This year it covered 108 countries where 78-percent of the world's population lives. Of those people, about one-point-six-billion are listed as multidimensionally poor. And most of them are in rural areas.

Dr. Sabina Alkire — director of the Oxford Poverty and Human Development Initiative — explained multidimensional poverty.

"I mean a person who has different things going wrong at the same time. They might not have many assets and they might have malnutrition. And they might not have more than five years of schooling. So, several things are going wrong in their life at the same time. That's what it means to be multidimensionally poor. It's not just one," she said.

The MPI found that in nearly 50 developing countries "half of the poor are so deprived" they should actually be classified as "destitute." The index measured overlapping deprivations, with destitute meaning an extreme lack of basic living standards.

Most of those considered destitute – some 420-million – are found in countries in South Asia. And of those, India is home to 343-million of them. The MPI says there are 200-million destitute people in 24 sub-Saharan African countries. Niger has the highest percentage of its population listed as destitute with nearly 69-percent.

Income is the most common measure of poverty, but Alkire said more information is needed to tell the whole story.

"It needs a measure that looks at the other aspects of people's lives — like bad health, bad education, no water and sanitation or poor housing – and sees how they're doing in those. Because it's actually not the same people who are poor in both. And so both measures together give a more balanced picture of how people are living."

She said it's surprising, but in some places many people who are malnourished may not be considered income poor.

"For example, in Bhutan, according to their national poverty measure, 12-percent of people are income poor and 12.7 are multidimensionally poor, but only a quarter of those – three-point-two-percent – are poor in both."

She said despite the findings of the Index, "policies aimed at reducing poverty are working."

"We studied changes over time for 34-countries this year, housing two-point-five-billion people. And 30 of those countries had significant reductions of poverty. And the really good news we find is that it's low income countries and least developed countries that actually reduced poverty the fastest," she said.

The Oxford University study reported that the largest reduction in destitution occurred in Ethiopia, down "30-percentage points between 2000 and 2011." Large reductions were also seen in Niger, Ghana, Bolivia, Rwanda, Tanzania, Nepal, Haiti, Bangladesh and Zambia.

The U.N. Millennium Development Goals – which set targets regarding poverty, hunger, malnutrition, health and other issues – expire at the end of next year. Alkire said the MPI could help in the creation of a replacement for the MDGs that gives a complete picture of poverty.

"We need a replacement that keeps our eyes really focused on human poverty and the pain and suffering that it entails, but also brings in the environment. And our suggestion is really simple. That along side the $1.25 a day measure – or some extreme income poverty measure – that we bring into view these people who are multidimensionally poor. And that we can do so with a measure of destitution and a measure of multidimensional poverty and maybe even a measure of vulnerability that would be more appropriate for middle and high income countries," she said.

She said with more poverty data available, different government agencies could better coordinate their efforts.